

**CDC INCOME
ELIGIBILITY
SCALE****Income Eligibility**

If a child does not qualify for one of the Child Development and Care (CDC) Protective Service groups where income is not considered (see BEM 703), determine eligibility for the child based on income.

To be income eligible for the CDC program at application, a family's gross monthly income must not exceed the maximum monthly gross income limit by family size associated with the column labeled **entry**.

After initial eligibility has been determined, a family's income must not exceed the maximum monthly gross income eligibility limit by family size associated with the column labeled **exit**, unless the increase is determined to be *temporary excess income*; see BEM 505.

**Family
Contribution**

Each family is responsible to pay the child care provider the Family Contribution (FC) amount associated with the family's most recent income eligibility determination. This FC amount is subtracted from the provider payment issued by the Department.

Family Contribution (FC) amounts are per child, per every two-week pay period ([CDC 2023 Payment Schedule \(michigan.gov\)](https://www.michigan.gov/cdc/2023/03/23/cdc-2023-payment-schedule)), not to exceed the Family Contribution limit per family, per every two-week pay period; see *family contribution* BEM 706.

Note: For the dates of November 7, 2021, through September 23, 2023, the FC amount will be waived for all children approved for the CDC subsidy. This temporary change is possible due to additional federal funding. When this temporary change ends, standard policy will be applied, and each child's FC will be based on the most recent CDC eligibility determination and current provider assignment. If an FC amount is assigned this will not be considered a negative action.

**DEPARTMENT
HOURLY RATES
AND CHILD CARE
FEES****Department Hourly
Rates**

The departmental hourly rate is the hourly reimbursement amount that is multiplied by the time billed by the child care provider; see *billing and payment* BEM 706.

October 10, 2021 (pay period 122), provider subsidy rates were increased by 30 percent. This was in accordance with the Fiscal Year (FY) 2022 budget bill. At that time there were additional temporary increases, above the 30 percent. A four-step provider rate chart was created to represent these rates. The FY 2022 rates are shown in the Step One and Step Two charts in this policy item.

Beginning October 9, 2022 (pay period 222), provider subsidy rates received another increase, in accordance with the FY 2023 budget bill. The updated rates are shown in the Step Three and Step Four charts in this policy item.

- Step one: October 10, 2021 - April 9, 2022 (pay periods 122-208), temporary rates based on the FY 2022 budget.
- Step two: April 10, 2022 - October 8, 2022 (pay periods 209-221), temporary rates based on the FY 2022 budget.
- Step three: October 9, 2022 - September 23, 2023 (pay periods 222-319) rates, temporary rates based on the FY 2023 budget.
- Step four: Beginning September 24, 2023 (pay period 320). **Ongoing** rates based on the FY 2023 budget.

**Child Care Fee
Payments**

Child care centers, group homes, and family homes may bill the CDC program for child care fees. These are mandatory fees that are typically charged to parents, such as registration fees, annual fees, or field trip fees. Payment of child care fees is limited to \$65.00 for centers, and \$40.00 for group and family homes, per child, per fiscal year (10/1 to 9/30); see *child care fees* BEM 706.

CDC INCOME ELIGIBILITY SCALE: EFFECTIVE JULY 3, 2022.

**FAMILY CONTRIBUTION (FC) BASED ON INCOME ELIGIBILITY: FC AMOUNTS TEMPORARILY
WAIVED FOR DATES NOVEMBER 7, 2021 - SEPTEMBER 23, 2023**

| Family Size | Maximum Monthly Gross Income | | | | | | |
|--|------------------------------|---------|---------|---------|---------|---------|---------|
| | | Entry | | | | | Exit |
| 1 | \$1,133 | \$2,266 | \$2,502 | \$2,737 | \$2,973 | \$3,208 | \$3,444 |
| 2 | \$1,526 | \$3,052 | \$3,342 | \$3,632 | \$3,923 | \$4,213 | \$4,503 |
| 3 | \$1,919 | \$3,838 | \$4,183 | \$4,528 | \$4,873 | \$5,218 | \$5,563 |
| 4 | \$2,313 | \$4,626 | \$5,025 | \$5,424 | \$5,824 | \$6,223 | \$6,622 |
| 5 | \$2,706 | \$5,412 | \$5,866 | \$6,320 | \$6,774 | \$7,228 | \$7,682 |
| 6 | \$3,099 | \$6,198 | \$6,707 | \$7,216 | \$7,724 | \$8,233 | \$8,742 |
| 7 | \$3,493 | \$6,986 | \$7,377 | \$7,768 | \$8,158 | \$8,549 | \$8,940 |
| 8 | \$3,886 | \$7,772 | \$8,045 | \$8,319 | \$8,592 | \$8,866 | \$9,139 |
| 9 | \$4,279 | \$8,558 | \$8,714 | \$8,870 | \$9,026 | \$9,182 | \$9,338 |
| 10 | \$4,673 | \$9,346 | \$9,384 | \$9,422 | \$9,460 | \$9,498 | \$9,536 |
| FC (Per child per pay period) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FC Limit (per family per pay period) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

STEP ONE: DEPARTMENT HOURLY RATES AND CHILD CARE FEES

OCTOBER 10, 2021 - APRIL 9, 2022 (PAY PERIODS 122 - 208)

TEMPORARY RATES BASED ON THE FY 2022 BUDGET

| Provider Type | Star Rating | Infant/Toddler (Birth up to Age 2 1/2) | Preschool (Age 2 1/2 up to Age 5) | School Age (Age 5 and Over) |
|--|---------------------------|--|---|-----------------------------------|
| Child Care Center Child Care Fee limit of \$65.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) | \$8.40 | \$6.00 | \$5.80 |
| | 1 Star | \$8.40 | \$6.00 | \$5.80 |
| | 2 Star | \$8.95 | \$6.45 | \$6.30 |
| | 3 Star | \$9.90 | \$7.45 | \$7.30 |
| | 4 Star | \$10.35 | \$7.95 | \$7.75 |
| | 5 Star | \$11.35 | \$8.95 | \$8.70 |
| Group and Family Child Care Home Child Care Fee limit of \$40.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) | \$6.75 | \$5.80 | \$5.65 |
| | 1 Star | \$6.75 | \$5.80 | \$5.65 |
| | 2 Star | \$7.30 | \$6.30 | \$6.10 |
| | 3 Star | \$8.25 | \$7.30 | \$7.05 |
| | 4 Star | \$8.70 | \$7.75 | \$7.60 |
| | 5 Star | \$9.70 | \$8.70 | \$8.55 |
| License Exempt- Related and License Exempt- Unrelated | Base Rate (Level 1) | \$3.45 | \$3.45 | \$3.45 |
| | Level 2 | \$5.85 | \$5.20 | \$5.20 |

STEP TWO: DEPARTMENT HOURLY RATES AND CHILD CARE FEES

APRIL 10, 2022 - OCTOBER 8, 2022 (PAY PERIODS 209 - 221)

TEMPORARY RATES BASED ON THE FY 2022 BUDGET

| Provider Type | Star Rating | Infant/Toddler (Birth up to Age 2 1/2) | Preschool (Age 2 1/2 up to Age 5) | School Age (Age 5 and Over) |
|--|---------------------------|--|---|-----------------------------------|
| Child Care Center Child Care Fee limit of \$65.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) | \$7.85 | \$5.60 | \$5.40 |
| | 1 Star | \$7.85 | \$5.60 | \$5.40 |
| | 2 Star | \$8.35 | \$6.05 | \$5.90 |
| | 3 Star | \$9.25 | \$6.95 | \$6.80 |
| | 4 Star | \$9.70 | \$7.45 | \$7.25 |
| | 5 Star | \$10.60 | \$8.35 | \$8.15 |
| Group and Family Child Care Home Child Care Fee limit of \$40.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) | \$6.30 | \$5.40 | \$5.25 |
| | 1 Star | \$6.30 | \$5.40 | \$5.25 |
| | 2 Star | \$6.80 | \$5.90 | \$5.70 |
| | 3 Star | \$7.70 | \$6.80 | \$6.60 |
| | 4 Star | \$8.15 | \$7.25 | \$7.10 |
| | 5 Star | \$9.05 | \$8.15 | \$8.00 |
| License Exempt- Related and License Exempt- Unrelated | Base Rate (Level 1) | \$3.25 | \$3.25 | \$3.25 |
| | Level 2 | \$5.50 | \$4.85 | \$4.85 |

**STEP THREE: DEPARTMENT HOURLY RATES AND CHILD CARE FEES
OCTOBER 9, 2022 - SEPTEMBER 23, 2023 (PAY PERIODS 222-319)
TEMPORARY RATES BASED ON THE FY 2023 BUDGET**

| Provider Type | Star Rating / New Quality Levels | Infant/Toddler (Birth up to Age 2 1/2) | Preschool (Age 2 1/2 up to Age 5) | School Age (Age 5 and Over) |
|--|--|--|-----------------------------------|-----------------------------|
| Child Care Center Child Care Fee limit of \$65.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) Maintaining Health & Safety | \$7.90 | \$5.60 | \$5.45 |
| | 1 Star - Maintaining Health & Safety | \$7.90 | \$5.60 | \$5.45 |
| | 2 Star - Reflecting on Quality | \$8.35 | \$6.05 | \$5.95 |
| | 3 Star - Enhancing Quality | \$9.30 | \$6.95 | \$6.85 |
| | 4 Star - Enhancing Quality-Validated | \$9.70 | \$7.45 | \$7.25 |
| | 5 Star - Demonstrating Quality | \$10.65 | \$8.35 | \$8.15 |
| Group and Family Child Care Home Child Care Fee limit of \$40.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) Maintaining Health & Safety | \$6.30 | \$5.45 | \$5.30 |
| | 1 Star - Maintaining Health & Safety | \$6.30 | \$5.45 | \$5.30 |
| | 2 Star - Reflecting on Quality | \$6.85 | \$5.95 | \$5.75 |
| | 3 Star - Enhancing Quality | \$7.70 | \$6.85 | \$6.65 |
| | 4 Star - Enhancing Quality-Validated | \$8.15 | \$7.25 | \$7.15 |
| | 5 Star - Demonstrating Quality | \$9.05 | \$8.15 | \$8.05 |
| License Exempt-Related and Unrelated | Base Rate (Level 1) | \$3.25 | \$3.25 | \$3.25 |
| | Level 2 | \$5.50 | \$4.85 | \$4.85 |

**STEP FOUR: DEPARTMENT HOURLY RATES AND CHILD CARE FEES
BEGINNING SEPTEMBER 24, 2023 (PAY PERIOD 320)
ONGOING RATES BASED ON THE FY 2023 BUDGET**

| Provider Type | Star Rating / New Quality Levels | Infant/Toddler (Birth up to Age 2 1/2) | Preschool (Age 2 1/2 up to Age 5) | School Age (Age 5 and Over) |
|--|--|--|-----------------------------------|-----------------------------|
| Child Care Center Child Care Fee limit of \$65.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) Maintaining Health & Safety | \$6.20 | \$4.40 | \$4.25 |
| | 1 Star - Maintaining Health & Safety | \$6.20 | \$4.40 | \$4.25 |
| | 2 Star - Reflecting on Quality | \$6.55 | \$4.75 | \$4.65 |
| | 3 Star - Enhancing Quality | \$7.30 | \$5.45 | \$5.35 |
| | 4 Star - Enhancing Quality-Validated | \$7.60 | \$5.85 | \$5.70 |
| | 5 Star - Demonstrating Quality | \$8.35 | \$6.55 | \$6.40 |
| Group and Family Child Care Home Child Care Fee limit of \$40.00 per fiscal year (10/1-9/30) | Base Rate (Blank Star) Maintaining Health & Safety | \$4.95 | \$4.25 | \$4.15 |
| | 1 Star - Maintaining Health & Safety | \$4.95 | \$4.25 | \$4.15 |
| | 2 Star - Reflecting on Quality | \$5.35 | \$4.65 | \$4.50 |
| | 3 Star - Enhancing Quality | \$6.05 | \$5.35 | \$5.20 |
| | 4 Star - Enhancing Quality-Validated | \$6.40 | \$5.70 | \$5.60 |
| | 5 Star - Demonstrating Quality | \$7.10 | \$6.40 | \$6.30 |
| License Exempt-Related and Unrelated | Base Rate (Level 1) | \$2.55 | \$2.55 | \$2.55 |
| | Level 2 | \$4.30 | \$3.80 | \$3.80 |